



PRESS RELEASE

SURIAGROUP RECORDS HIGHER REVENUE AND PROFIT

Suria Capital Holdings Berhad and its Group of Companies (SuriaGroup) had ended year 2013 with marked results in its financial performance. The Group is pleased to announce that it had achieved a higher revenue and profitability against results of the previous year. The performance was attributable to the higher volumes in liquid cargo from the East Coast ports and higher container throughput at Sapangar Bay Container Port.

The Group's revenue totaled at RM263.33 million for year 2013 against RM262.93 million recorded in 2012. The Group's profit had also experienced a double digit growth with an 18.8% increase in pre-tax profit (2013: RM82.31 million, 2012: RM69.28 million) and after tax profit growth of 21.8% (2013: RM61.27 million, 2012: RM 50.31 million). The higher profit was mainly due to lower operating expenditures and finance costs.

Port operations, which has been the Group's prime contributor, generated 85.2% of the Group's revenue while logistics and bunkering services provided 10.6%, ferry terminal operations 2.0% and contract and engineering 1.3%.

Port Operation and Financial Performance

The port operations, managed by subsidiary Sabah Ports Sdn Bhd (Sabah Ports), have consistently provided the Group with solid results. For 2013, Sabah Ports, which operates the 8 major ports in Sabah, posted a total revenue of RM220.5 million (2012: RM218.6 mil) and a gross profit of RM104.2 million (2012: RM98.9 mil). Net profit before tax too stood favorably at RM83.6 million against RM 73.6 million in 2012.

Among the 8 ports, Sapangar Bay Container Port generated the largest revenue which stood at RM64.3 million or 29.2% of total port revenue. This was followed by Sandakan Port (RM53.3 mil), Lahad Datu and Kunak Ports (RM37.2 mil), Tawau Port (RM31.1 mil), Kota Kinabalu Port (RM21.4 mil), Sapangar Bay Oil Terminal (RM12.8 mil) and Kudat Port (RM0.4 mil).

In terms of container volume, throughput had moderated slightly at 373, 042 TEU's as compared to previous years 374, 624 TEU's. Nevertheless, volume handled at Sapangar Bay Container Port had increased by 4% registering at 260, 664 TEU's compared to 251,

359 TEU's in 2012. Sapangar Bay Container Port being the main port for containerized cargo, handled 70% of the port's overall container throughput.

Non-containerized cargo had also experienced a minor contraction registering at 22.50 million metric tonne (MT) against 22.52 MT in 2012. The decline in sufferance wharf operations was the main factor to the moderation. Of the total tonnage, Sandakan Port registered 7.26 million MT or 32% of overall cargo. This was followed by Lahad Datu Port with 4.57 million MT, Tawau Port 4.05 million MT, Sapangar Bay Oil Terminal 2.63 million MT, Kota Kinabalu Port 2.22 million MT, Kunak Port 1.48 million MT and Kudat Port 0.22 million MT.

Cargoes handled during the year were mostly liquid cargo (palm oil and petroleum), containers, dry bulk (PKE and fertilizers) and other general cargo.

Jesselton Quay and Waterfront Projects

As part of the Group's strategic diversification, SuriaGroup will be making its debut in property development via a RM1.8 billion joint-venture agreement with SBC Corporation to develop the Jesselton Quay project. Expected to be launched in 2014, Jesselton Quay will transform the city landscape by developing a world-class waterfront precinct, a first of its kind in the region. Suria Bumiria, the Groups property management arm and operator of Jesselton Point Ferry Terminal will assist in overseeing this joint development project. This project will provide the Group with a minimum guaranteed amount of RM324 million or a minimum return of 18% of the total gross development value. Upon kick-off, this project will provide a steady income for the Group.

Recognizing the waterfront potential, SuriaGroup through Suria Bumiria, will embark on the development of an International Cruise Terminal (ICT) at Kota Kinabalu Port. The project will complement Jesselton Quay and other upcoming projects in the vicinity such as the Sabah International Convention Center and Kota Kinabalu Convention Center. The ICT is an entry point project (EPP) that has been earmarked by the Federal Government under its Economic Transformation Programme which aims to create a Straits Riviera Cruise Playground in Malaysia.

Performance of Subsidiaries

Apart from overseeing the Jesselton Quay project, Suria Bumiria is the operator for the Jesselton Point Ferry terminal. In November 2013, Suria Bumiria completed and operated the new CIQs terminal at Kota Kinabalu Port to welcome the first cruise liner to make Kota Kinabalu Port a home port on a seasonal deployment. The influx of tourist brought about by this major liner has made a significant contribution to Suria Bumiria's revenue and will pave the way for the development of the ICT in the future.

Since collaborating with an international bunkering company for the supply of marine bunker fuel to ships plying Sabah Ports, SP Satria Logistics has significantly improved its

sales of fuel, lubricant and water. SP Satria Logistics will continue to expand its bunkering services by leasing the storage tanks at Sapangar Bay and Lahad Datu. Among its future projects, S. Satria Logistics is expected to develop the scheduled waste management business and to stockpile marine lubricants at the ports.

SP Satria has continued to assist the port operations in the purchase of port equipment and has invested in overseas training to improve their technical services. The company has managed to secure income from outside the Group and will continue to look beyond for more business opportunities. For 2014, the company has already lined up a few projects including equipment commissioning for other ports.

SCHB Engineering, in collaboration with a consortium, has completed the EPCC contract to build a power plant in Kimanis, Sabah. The project was secured in 2011. The subsidiary intends to pursue further business not only within the Group but also with external parties.

Prospects for 2014

Sabah Ports has allocated a substantial budget for port development and improvements. This entails major repair works and acquisition of new containers and cargo handling equipment. The implementation of Sabah Ports on going 20-year Port Development Master Plan (2013- 2033) will be carried out as scheduled to ensure the ports capabilities to accommodate the future growth of cargoes. The port will continue its commitment to provide efficient and reliable services to vessels calling at Sabah Ports.

The Group is confident that the Port will continue to uphold its positive trajectory and that the subsidiaries will contribute significantly in 2014. SuriaGroup is enthusiastic of its foray into property development through Jesselton Quay and foresees greater opportunities and horizons for the Group to achieve.

Issued by

Suria Capital Holdings Berhad

KOTA KINABALU

On 24th June 2014

Contact person:

Datin Mariam Mahmud

Senior Manager

Group Corporate Affairs & Communication

Suria Capital Holdings Berhad

Tel: 088 – 257788/019-8219888

Email: mariam@suriapl.com.my